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CENTRAL INTELLIGENCE AGENCY

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activity among their members is now more intense than that in the factories, and their members are carefully selected for their political reliability. Although, for purely economic reasons, it is current Government policy that harmful rivalry between cooperatives and independent producers should be "neutralized", the Party spreads the line that the State can eventually control agriculture without the latter.

5. The introduction of a more flexible structure in the cooperatives has had beneficial results, and they now account for some 30 percent of the total agricultural production of the country.
6. Favorable results have already been achieved by the new agricultural policy of the Government. Reserves of foodstuffs which had been hoarded by the peasants and producers are now appearing on the market for the first time, and the quality available for home consumption is higher than it was in March 1951. At the same time inflation is on the increase, and the advantages to the consumers in the towns of an increase of available products is offset by a sharp decrease in purchasing power.

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